Supreme Court, U.S.
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No. 95-298

IN THE SUPREME COURT OF THE UNITED STATES
OCTOBER TERM, 1995

ABB ROBOTICS INC. AND
CINCINNATI MILACRON, INC.,

Petitioners,

v.

GMFanuc ROBOTICS CORPORATION,

Respondent.

Petition for Writ of Certiorari
to the United States Court of
Appeals for the Federal Circuit

REPLY IN SUPPORT OF PETITION FOR WRIT OF CERTIORARI

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I. ARGUMENT

Petitioners ABB Robotics Inc. et al. ("ABB") respectfully reply to the Opposition of GMFanuc Robotics Corporation ("GMFanuc"), beginning with amazement that Fanuc can now say that the U.S. Court of Appeals for the Federal Circuit applied a de novo standard of review rather than the abuse of discretion standard it clearly articulated in reviewing the grant of summary judgment by the district court below.

Fanuc admits, as it must, that the correct standard of review is de novo, but takes the utterly unsupported position that the Federal Circuit applied such de novo review. That is indeed strange, because the Court of Appeals kept talking about abuse of discretion. It never mentioned the words de novo, nor did it say anything that indicated that it had examined the record anew. See, e.g., United States v. Diebold, Inc., 369 U.S. 654, 655, 82 S.Ct. 993, 994 (1962).

Instead, every syllable uttered by the Court of Appeals indicates that its review was under an abuse of discretion standard. For example, it said:

> Being an equitable doctrine, estoppel is committed to the sound discretion of the trial judge whose decision [granting summary judgment] we review under the abuse of discretion standard. (4a, 52 F.3d 1063).

* * *

The trial court's finding of misleading action was not an abuse of discretion. (7a-8a, 52 F.3d 1064)

Rather than simply having twice used the term, abuse of discretion, the entire opinion of the Court of Appeals is tinctured with that standard of review. For example, the Court continually referred to findings made by the district court. In this decision that occupies four pages in F.3d, the Court of Appeals used the terms "found" or "finding" or their equivalent at least 16 separate times with reference to the district court's decision.

Making findings is an improper exercise of a lower court's function on summary judgment: "... at the summary judgment stage the judge's function is not himself to weigh the evidence and to determine the truth of the matter but to determine whether there is a genuine issue for trial." Anderson v. Liberty Lobby, Inc., 477 U.S. 242, 249, 106 S.Ct. 2505, 2511 (1986). Such references to lower court "findings" and the propriety thereof are indicative of the application of the abuse of discretion standard.

Were this case to have been considered de novo by the Court of Appeals, it would not have repeatedly referenced what the lower court found; it would have examined the record anew and made its own determination of that which a Court should do on summary judgment: determine whether there are any genuine issues of material fact to be "found" at trial. Yet

nowhere in its opinion does the Federal Circuit refer to de novo review or the key to summary judgment: genuine issues of material facts.

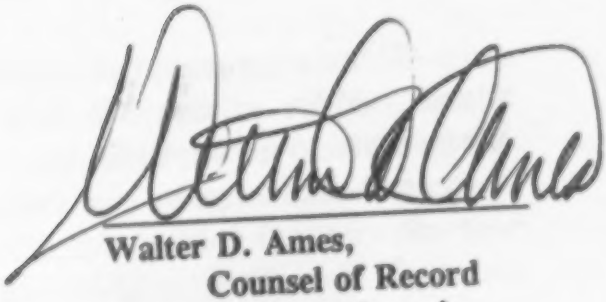
There were many issues of fact still to be determined. A list of material facts in genuine issue is annexed hereto as Appendix 99a to 100a. Those issues were unaddressed by the Court of Appeals.

II. CONCLUSION

It is clear that the Federal Circuit reviewed the lower court's grant of summary judgment under an abuse of discretion standard. After all, that is precisely what the Federal Circuit said, while eschewing a search for genuine issues of material fact. That was pure, unadulterated error, as respondent apparently now agrees.

This petition for issuance of a writ of certiorari to the U.S. Court of Appeals for the Federal Circuit should be granted. The judgment below should be vacated and the case remanded to that Court with instructions that it review the district court's grant of summary judgment under a de novo, rather than abuse of discretion, standard.

Respectfully submitted,



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APPENDIX

GENUINE ISSUES OF MATERIAL FACT

Regarding: Material Economic Prejudice

1. During the period of plaintiff's alleged silence, did the expenditures of defendant in filing patent applications and developing the P-155 robot constitute material economic prejudice when such expenditures were never quantified and defendant made no showing that those expenditures exceeded the profits from its infringing sales?

Regarding: Actual Reliance

2. Rather than relying on plaintiff's silence, did defendant rely on the advice of David Syrowik, an attorney with Brooks & Kushman, counsel to defendant, who asserted to plaintiffs that defendant did not infringe the patent-in-suit?

3. Rather than relying on plaintiffs' silence, did defendant rely on the opinion of its senior engineer, Dr. Hadi Akeel, who also was of the opinion that defendant did not infringe the patent-in-suit?

4. Has defendant offered a shred of documentary evidence from which its reliance on plaintiffs' inaction could be inferred?

Regarding: The Period of Silence

5. During the period of plaintiffs' alleged silence, balancing all of the factors, including its knowledge of plaintiffs' patent, did defendant have an equitable burden to contact plaintiffs to determine whether plaintiffs

intended to enforce their patent rights before defendant substantially expanded its sales of accused apparatus?

Regarding: A Nexus Between the Delay and Damages

6. Had the action been commenced earlier, would defendant had avoided later incurred "damages?"

7. Had the present action been commenced earlier, would defendant have altered its infringing activities and instead manufactured and sold a non-infringing apparatus?

8. Even after litigation had commenced, did defendant continue its infringing activities rather than change to an alternate, non-infringing apparatus?